

Charity Registration No. 1012053

Company Registration No. 02200394 (England and Wales)

TOUCHSTONE - LEEDS

**FINANCIAL STATEMENT
FOR THE YEAR ENDED
31 MARCH 2025**

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TOUCHSTONE – LEEDS

LEGAL AND ADMINISTRATIVE INFORMATION

Touchstone - Leeds constitutes a Registered Company Limited by Guarantee and is registered as a Charity.

Full Name: Touchstone - Leeds
Charity Registration Number: 1012053
Company Registration Number: 02200394

Registered Office: Touchstone House
2-4 Middleton Crescent
Leeds
LS11 6JU

Trustee	Appointed	Resigned
Sam Cheverton (Chair from 10/06/2024)		
Janet Reynolds		
Philip Gleeson		09/12/2024
Sue Timothy		
Stephen Bailey		
Sally Anderson		
Richard Aimufua		
Shahab Adris		
Thomas Stanley	26/02/2025	
Jeremy Horsell (Chair until 10/06/2024)		10/06/2024
Andrea Beever		10/06/2024
Gary Adams	09/06/2025	
Jonathan Ayling	09/06/2025	
Steven Cochrane	09/06/2025	
Gary Gallacher	09/06/2025	
Elizabeth Procter	09/06/2025	
Sam Singh	09/06/2025	

Key Management Personnel:

Arfan Hanif	Chief Executive
Kathryn Hart	Deputy Chief Executive and People & Culture Director
Sharon Brown	Business Development Director
Sophie Hailwood	Operations Director (left 31/03/25)
Dave Pickard	Operations Director
Khalil Rehman	Interim Finance Director from 01/06/23 to 24/06/24
Jim Hoole	Director of Finance & Resources from 24/06/24 to 28/02/25
Neil Colley	Interim Director of Finance & Resources from 02/01/25

Company Secretary: Khalil Rehman: from 01/12/23 to 24/06/24
Jim Hoole: from 24/06/24 to 31/12/24
Kathryn Hart: from 01/01/25

TOUCHSTONE – LEEDS

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

Auditor: AAB Audit & Accountancy Limited
Gresham House
5-7 St Paul's Street
Leeds
LS1 2JG

Bankers: The Co-operative Bank
19-20 Commercial Street
Leeds
LS1 6AL

Virgin Bank
The Penny Hill Centre
1 Church St
Hunslet
Leeds
LS10 2AP

The trustees present their report and financial statements for the year ended 31 March 2025 for Touchstone - Leeds, also known as Touchstone.

OBJECTIVES, ACTIVITIES AND PUBLIC BENEFIT

Objectives and Activities

The charitable objects (purpose) defined in the Memorandum are “to relieve sickness and promote the fostering of positive physical and mental health and the prevention of breakdown among members of the community by establishing, guiding and supporting the promotion of self-help groups, and provision of personal counselling, housing and other practical facilities and by the advancement of education for the public benefit of lay and professional health care workers”.

More particularly, Touchstone's vision statement is “Inspiring communities, transforming lives” and this is underpinned by seven values:

- Leadership and Learning
- Inclusion and Diversity
- Value for Money
- Quality and Continuous Improvement
- Integrity and Respect
- Recovery
- Co-Production

Touchstone's Strategic Business Plan has the following five strategic goals:

- Sustain and grow high quality support services for those most vulnerable to mental health issues across Yorkshire.
- Become a partner of choice and develop sustainable relationships with the statutory, public, private, and voluntary sectors.
- To maintain a just, safe, and reflective culture to continuously improve our stakeholder experience.
- To be an employer of choice; recognising and continuously developing our people as valued and essential leaders in the delivery of quality services.
- Embed co-production to involve service users and carers in all aspects of service delivery and design.

Key services Touchstone provided in the year are:

Mental Health Community Development, Preventative and Peer Led Services designed to keep people well in the community and promote preventative measures to support good mental health and wellbeing in communities. Services that come under this umbrella include:

- Being You Leeds [BYL] provides community wellbeing activities, training, mental awareness sessions, and leads on anti-stigma campaigns.
- East Leeds Health 4 All [ELHFA] is part of the Leeds Better Together service, promoting good health and wellbeing in east and north-east Leeds.
- Asset Based Community Development [ABCD] Project is a city-wide Leeds service which builds the assets of local communities to better influence and take the lead in deciding how services are delivered to them.
- Volunteers Service, which is Investors In Volunteers [IIV] accredited, specialises in recruiting, training, and supporting volunteers with lived experience into placements at Touchstone or one of its partners.
- Touchstone Outreach and Prevention Service [TOPS] supports local 'street drinkers' around alcohol dependency, mental health support, and signposting to support services.
- West Yorkshire Autism and ADHD [Attention Deficit Hyperactivity Disorder] Co-production project is an all-age neurodiversity (Autism and ADHD) 'deep dive' project across West Yorkshire.

Mental Health Mild-to-Moderate Needs (Community) Services support service users with assessed mild-to-moderate care, health, and mental health needs, focusing on an asset-based approach to service delivery promoting independence and recovery in the community:

- Live Well Leeds [LWL] is a city-wide initiative providing community-based support to people with mild-to-moderate mental health support needs.
- Early help hubs provide one stop shop services to families and children in Leeds and has mental health workers employed by Touchstone as part of their multi-disciplinary teams (linked to LWL service).
- Sikh Elders Service provides culturally adapted support to Sikh Elders and their carers.
- Black and Minority Ethnic [BME] Dementia Service provides specialist support to people living with memory problems or a diagnosis of dementia, and their carers, from ethnic minorities.
- 'Workplace' Leeds, led by Leeds Mind, provides employment support to individuals referred by Community Mental Health.

Mental Health Mild-to-Moderate Needs (Clinical) Services support service users / patients with clinical mild-to-moderate common mental health disorders. These services are delivered in accordance with NHS Commissioner and England Clinical guidance:

- Leeds Mental Wellbeing Service [LMWS] brings together Primary Care Mental Health [PCMH] services and Talking Therapies under a single service for people with mild / moderate and complex Common Mental Health Disorders [CMHD]. Touchstone staff are employed to provide wellbeing and therapy support.
- LMWS Inclusion Team, led by Touchstone, provides advice on inclusion, addressing health inequalities including peer support, and co-production services to patients / service users.
- Employment Advisory Service is for service users with clinically defined mild-to-moderate mental health needs and offers support in terms of retaining or finding work.
- Blossom is a project that delivers clinical support to victims of Female Genital Mutilation [FGM], a partnership with NHS nurses across Leeds and Bradford.

Intensive Support Needs (Community) Services support service users with complex social and health needs including those in crisis - intensive, tailor-made, co-produced, and trauma-informed support to sustain wellbeing and promote recovery in the community including:

- Beacon Housing - accommodation and support to enable people to stay well in tenancies.
- Community Support Team [CST] - an assertive outreach service that delivers support to people with complex mental health conditions in the community.
- Rehabilitation and Recovery Centre, which supports service users with long term mental health needs from ward-based rehabilitation on site to supported recovery in the community.
- Leeds Community Connectors, which support people with ongoing complex mental health needs to achieve better mental health and wellbeing, increasing independence, and supporting recovery in the community.
- Wakefield Community Enablement Team [CET] - delivers 121 intensive floating support that promotes a person-centred recovery focus aligned to individual need.
- 'Here for You' crisis services across Leeds, Kirklees and Wakefield aimed at reducing factors associated with the inappropriate use of statutory services and hospital admissions, and providing a safe alternative to NHS mental health support.
- Crisis Resolution & Intensive Support Service [CRISS] - a peer support-based service with staff providing intensive support at home for a period of up to 24-hours for people experiencing a mental health crisis.
- Community Rehabilitation Enhanced Support Team [CREST] - a community mental health service aimed at helping people move from inpatient settings and developing new lives closer to home.
- Complex Psychosis Practitioners - a clinical service operating within Leeds Community Mental Health Teams and Primary Care Networks that provides rehabilitation interventions aimed at preventing loss of skills and early-help rehabilitation for people with high-intensity mental health needs.

Intensive Support Needs (Criminal Justice) Services support service users with a criminal justice pathway history to access appropriate support and wellbeing services. Touchstone works closely with criminal justice agencies to divert service users from criminal justice pathways into supportive health and social pathways:

- Liaison and Diversion West Yorkshire [L&D WY] service - aimed at reducing reoffending by diverting people with complex mental health needs away from the Criminal Justice System.
- Liaison and Diversion South Yorkshire [L&D SY] - Touchstone delivers peer volunteering support across South Yorkshire with staff operating in Sheffield, Barnsley, and Doncaster.

Activities

Primarily, Touchstone provides services for people with mental health difficulties, those susceptible to such challenges, and their carers. Through this work, and seeking to ensure services are available to the whole community, Touchstone has developed a particular strength working with diverse communities including BME and LGBTQ+ groups.

Key Performance Indicators are designed around the Critical Success Factors identified for each individual service, usually in consultation with the commissioners of the service, and used to assess ongoing service performance by staff, management, trustees and relevant external stakeholders, as appropriate.

Public Benefit

The trustees recognise their duties under the Charities Act 2011 and have referred to the Charity Commission's guidance on public benefit when reviewing Touchstone's activities and compiling this report.

The activities described above, and explained in detail later, are consistent with Touchstone's values and aims, and derived from its charitable objectives, which seek to deliver public benefit by improving the physical and, especially, mental health of the communities either directly or through improving people's experience of other services and their acceptance within the community. All new and potential developments are assessed for consistency with the strategic plan and contribution to the public benefit.

Access to Touchstone services is usually through referral processes determined by objective criteria based on need and, to the extent that most services are funded by statutory bodies, residence within a geographic boundary.

Volunteers

Volunteers support individual service users in reducing isolation / loneliness, developing confidence and self-esteem, offering a listening ear, enabling them to make friends, supporting them with budgeting, attending social activities, going shopping, walking and reducing anxiety when going out. They also support service users to complete benefit forms and attend assessments and appeal hearings.

Beneficiaries of volunteer support sometimes take on the role themselves. Service users often express the view they would not have been able to cope without the help of a volunteer / befriender. Volunteer support helps with managing mental health and preventing deteriorations and setbacks.

The contribution of volunteers is not included in the statement of financial activities as it's not possible to put a reliable value on their contribution.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Community Health Development Portfolio

- Being You Leeds, our partnership public mental health service, successfully ran 838 wellbeing groups and 21 suicide prevention and mental health awareness training courses in the year. Working communities in Leeds experiencing health inequalities and raising awareness of the importance of talking about our mental health and wellbeing in a positive way.
- As part of the Better Together East service, we worked with communities across the Inner East areas of Leeds, engaging people outreach to provide groups, activities and 1-2-1 support aimed at increasing the connection between physical and mental wellbeing. Including Swimming, Badminton, Walking and social groups. In 24-25 we provided 2,762 hot meals to people in need in the Burmantofts area of Leeds as part out our community outreach work
- Touchstones Outreach and Prevention Service works in the Harehills area of Leeds to provide a much needed safe, preventative health space for street drinkers in the area. We worked with many individuals in the year and provided hot meals, a listening ear in a trusted space, alongside signposting and in-reach from drug, alcohol, housing and wider health colleagues.
- We continue to be very proud of our grassroots, assets-based way of working across Touchstone. As well as all staff being mandatory trained in this strengths-based model, we also continue to successfully deliver ABCD work in the Lincoln Green area of the city, working with the community and their assets to develop small sparks funded projects that are owned and led by people. In 24-25 we also delivered a neighbourhood matching project in the area, working with Voluntary Action Leeds and other providers in the city, matching projects to volunteer time, recording over 2,762 hours of volunteer-led activity during the course of the project.
- We continue to work closely with Active Travel and walking, cycling providers within the Burmantofts area of Leeds, with currently 2 funded walking group projects, in partnership with the Bike Mill and Leeds City Councils Walk it, Ride it Provision. We run regular weekly walking groups, signpost to other active travel provision and take groups to walks in the countryside, all encouraging adapting walking and cycling practise into every day life for health, climate and economic benefit.
- Our Sikh Elders provision continues to be a long-standing service which Touchstone are proud to provide, in a culturally tailored and appropriate way, to families, carers and individuals across Leeds, providing 1-2-1, family and group support. We are proud of the volunteer support in this service, with 71% of our active volunteers being over the age of 60.
- BME Dementia service continues to shine and provide much needed tailored, appropriate dementia and memory loss support to people from black, minority ethnic communities in Leeds.
- Our Mens Health Unlocked project, run in partnership with Barca, Space2 and Forum Central works to ensure men are connected to men's groups and visa-versa, offering outreach, training in mens health awareness, a quarterly magazine for men, by men and working with local 'manbassador' businesses, to promote key men's health messaging in non-health places such as barbers and takeaways. In 24-25 we worked with 55 manbassador organisations across the city.

Community Services Portfolio

- Following a PSR (Provider Selection Regime) with Leeds City Council, Live Well Leeds were successful with an addition 2+1 year contract for the service.
- Live Well Leeds: supported over 1185 people across Leeds – where 90% individuals have achieved positive outcomes as a result and utilised 150 volunteers.
- Live Well Leeds SUEG (Service User Engagement Group) are now embedded within the strategic board, and we are exploring an equal voting right with strategic partners.
- Live Well Leeds had 249 service user surveys completed, which was a return rate of 21%, following a successful 'Survey Fest' which involved all the team contacting all service users that had accessed over the year.
- Wakefield Community Enablement team continue to support 45 service users on a weekly basis to avoid readmission to hospital, reduce the risk of homelessness and avoid the criminal justice system. 100% of users 'highly valued' the service provided and expressed mental health improvements upon completion of the support. We have successfully been awarded 12 months additional funding for this service to continue.

Therapeutic Support Services Portfolio

- Within Primary Care Mental Health we have gone through a large systemic transformation, implementing new ways of working and improving the patient journey whilst maintaining 'business as usual.' This has now gone city wide across Leeds. Supporting over 2,500 clients.
- NHS Talking Therapies (NHS TT) continue to run 'Improving Low Mood using Islam' training which is seeing positive recovery rates. Following on from the success of this, the service is now looking at more adapted therapies such as men and improving low mood using Hinduism, which is something that Touchstone uniquely brings to the wider service.
- The NHS TT service has improved the recovery rate from 40% to just over 50 and have reduced the waiting list from 18 months to around 4 months.
- The Inclusion Team: co-produced and implemented a second Health Equity Plan which will support the service to tackle health inequalities across Leeds. This was supported by Inclusion Coordinators which are funded for a two year period, ending in November 2025.
- Our Peer Support team have supported over 50 clients through peer support; and, our Co-production Network now has 103 active members, supporting co-design and delivery across all areas of Leeds Mental Wellbeing Service.

Intensive Support Services Portfolio

- One of our main achievements for this portfolio is that we have been awarded a 3+2 year contract, as part of a VCSE alliance, which includes our Community Support Team, Community Wellbeing Connectors and Inpatient discharge services. This will commence in July 2025, following an intensive PSR process with Leeds ICB.
- Our Community Support Team continue to intensively support over 100 individuals a year, whilst offering a variety of groups such as assertive outreach outlook groups and gym sessions.
- Beacon Housing has continued to support individuals in our 43 managed tenancies over this year, with a positive throughput rate.
- Touchstone-Beacon staff have continued to receive beacon star staff nomination awards highlighting their passion, dedication and case work.
- Our Domestic Violence service within Beacon was extended by a further 12 months where we have been able to intensively support 31 individuals across the service. Alongside this, we have developed and facilitated Domestic Violence related training across the service and partner organisations.

- Touchstone have been instrumental in developing involvement in recruitment and selection for our Rehab and Recovery service with training now available and panellists in place; 4 service users have completed this training.
- Within our Rehab and Recovery service, our Co-production lead has established several Service User Initiatives across the Recovery Centre. This includes the development of group work jointly formulated and a service user forum for inclusion. There is now a co-produced newsletter and regular meetings for service user feedback.
- In our Inpatient discharge service, Weekly Peer Support groups have started to be facilitated on the wards. This was implemented by one of the peer support workers in line with the culture of care scheme the trust is looking to implement on a wider scale.
- The inpatient discharge team were asked to provide some Trauma Informed training for activity co-ordinators to improve their knowledge of this and how this approach can be implemented on wards.
- We were successful in securing a new service within LYPFT which was to host three Complex Psychosis Practitioners for a two-year pilot. The pilot is aimed to intensively support individuals across Leeds due to the need for rehabilitation expertise and intervention in the community to prevent future relapses and multiple losses that many experience, including skills, home, mental health and access to meaningful activities.

Crisis Services Portfolio

Service Milestones and Changes:

- Rotherham Safe Space contract ended June 2024
- NHSE Crisis Workforce Training and Development post started summer 2024
- Digital referral pathway launched October 2024
- Paramedic training and referral pathways increased and redesigned November 2024
- Consultations based on funding reductions and remodeling of services started November 2024.
- We were successful in securing a new service within LYPFT which was to host three Complex Psychosis Practitioners for a two year pilot. The pilot is aimed to intensively support individuals across Leeds due to the need for rehabilitation expertise and intervention in the community to prevent future relapses and multiple losses that many experience, including skills, home, mental health and access to meaningful activities.

KPI Summary

- 4,836 referral calls
- 3,448 supports delivered
- 71% of total referrals supported which is 23% less supports delivered than 23/24
- 740 people supported which is 18% increase from 23/24
- 397 new people supported for the first time
- 54% of total people supported were first time referrers
- 59% increase in new referrals from 23/24
- Whilst the number of calls to referral lines and number of supports decreased as we began implementing a reduction in social support and moving towards 1-to-1 intervention focus, our number of new people accessing crisis support and number of different individuals supported increased.
- Increases in staff sickness and leavers at the end of 2024-2025 due to work related stress linked to budget reductions in Kirklees and Leeds that resulted in consultations, redundancy and re-structuring of service.

Organisation-wide performance and achievements

The trustees are pleased to note the following achievements during 2024/25:

- Ranked 4th on Stonewall's Top 100 Employers List 2024 (no1 Charity and Health & Social Care Employer, achieving a Gold Award for being an LGBTQ+ inclusive employer).
- Developed employer/employee neurodiversity toolkit which is being promoted for use across the Health and Social Care system
- Diverse workforce - 36% - BME staff, 16% staff with a disability, 26% - LGBTQ+ staff.
- 2nd in the UK's Top 50 Most Inclusive Employers List
- Most Inclusive Workplace 2025 - Yorkshire in (Corporate Vision HR & Employment Awards)
- Best Community Mental Health & Wellbeing Service and Inclusion & Community Impact Excellence Award in Northern Enterprise Awards 2025

Financial Review

Performance

Total income for the year was £10,348,938 [2024: £9,882,963]. Touchstone achieved a year-on-year increase of £465,975 (4.71%) in spite of the economic challenges faced by its principal clients (local authorities and the NHS) and the charity sector by securing contract extensions and winning new business.

Expenditure in the year was £10,376,005 [2024: £10,210,817], giving rise to a deficit of £(36,160) [2024: deficit of £(289,436)]. As a significant proportion of Touchstone's cost base comprises staff and staff-related costs, the modest year-on-year increase in income was unable to offset expenditure associated with the annual pay award and cost-of-living payments made to help employees counter the economic challenge posed by inflationary pressures. The staffing structure was reviewed, with some central role redundancies taking place in March 2025 to help secure the future of Touchstone. Consultation to employees to reduce the sick pay terms and conditions, and come off the NJC pay structure also commenced, as year on year the higher salary increases compared to the smaller or zero commissioner income increases are becoming unsustainable for Touchstone.

At the year-end, Touchstone had Net Assets of £2,034,371 [2024: £2,070,530] including restricted funds of £192,464.

Current Asset Investments

There was a loss on investments of £(9,093) [2024: gain of £38,418].

Touchstone intends its investment decisions to achieve the best financial return available consistent with the ethical principles reflecting the charity's aims.

Touchstone recognises that all financial investments carry a level of risk and that the likely rewards of each investment rise in relation to the perceived level of risk.

Touchstone intends to take a prudent approach, mitigating the specific risks of individual investments by ensuring diversification of investments, between classes of investment and individual investments, and by avoiding high risk investments entirely.

The charity continues to invest with COIF Charities Investment Fund, the fund has limited ethical exclusions and has therefore, been determined as and promoted as a responsible fund. There has however been a review on investments, with the possibility of closing the current investment with CCLA and transferring to an investment form who provide a better performing specialist investment for Charities in the future.

Future Plans 2025/6

Trustees recognise that the UK economy continues to struggle, saddled with unprecedented debt and pressure on the public purse, which has a knock-on effect on public sector commissioned/funded services. The sector landscape in which Touchstone operates is increasingly challenging to navigate. The organisation's traditional primary funders, local authorities and the NHS face serious financial challenges, which manifest themselves in less new contracts being tendered, increased financial scrutiny of existing ones, and renewals and extensions subject to budgetary pressures. While Touchstone continues to seek new sustainable service opportunities that meets its strategic objectives and embed new and recent successful contract tenders, some contracts have ended. Losing out on tenders due to higher costs has contributed to this and in response and to align ourselves with competitors pay rates, Touchstone have restructured its operations and moved away from the national NJC pay structure and conditions of service to allow more flexibility in an increasingly competitive marketplace. Touchstone have also embarked on an "Invest to Grow" initiative, which incorporates a plethora of new initiatives including setting up a trading arm to provide professional specialist diversity and mental health/wellbeing training and a commercial element aligned to Touchstone's visibility and branding to increase awareness of Touchstone's community values, and building our own community-based assets.

Whilst monitoring ongoing change and shifting sands that characterises the third sector environment, currently, trustees remain firmly committed to Touchstone's service users, volunteers, and employees. To meet the challenge head-on, the organisation is undertaking a comprehensive strategic review, that will encompass its income portfolio and cost base the outcome of which will form a new business plan for 2026/27 onwards.

Operationally, Touchstone continues with its plans to strengthen the organisation's infrastructure, rolling out a digital transformation programme, supported by 'agile' working practices, which will improve the delivery of frontline services. This encompasses increasing the capacity of Touchstone's IT helpdesk functionality – taking additional support from external an external IT provider, bolstering existing cyber security arrangements, significantly improving network performance, including 'Cyber Essentials' accreditation which is essential to support contract bidding. The next phase for Touchstone will be the review of our estates management with a view to moving towards a more modern way of working, in a community setting, allowing staff and service users the opportunity to provide support in an environment that is welcoming and "Fit for Purpose" with plans to have therapy suites and a real community feel that embraces Touchstones uniqueness, aspirations and inclusiveness within the communities we serve.

The organisation is actively involved in strategic health partnerships arising out of the Health and Social Care Act 2022. Specific direction is set out in Touchstone's Strategic Business Plan 2021-6, currently under review. The Plan sets out five strategic objectives to sustain and grow high quality support services for those most vulnerable to mental health issues across Yorkshire, which the organisation remains committed to:

- identify need amongst the most vulnerable local groups and communities and develop high quality bids to deliver services to meet the need.
- influence and develop systems-level collaborative relationships with commissioners and decision-makers to invest in such groups / communities using case studies, data, and insight reporting.
- deliver growth through a business development strategy, ensure the necessary infrastructure is in place, and that reserves are grown in accordance with the reserves policy and are sustainable.
- invest in support services infrastructure to ensure adequate capacity for the provision of sustainable quality service delivery.
- having a sustainable reserves strategy consistent with the organisation's strategic business plan priorities.

Touchstone aspires to be the partner of choice, developing sustainable relationships with the statutory, public, private, and voluntary sectors by:

- continuing to highlight the contribution made to the elimination of health inequalities via delivery of the annual Communications Strategy and plan.
- developing 10 new local and strategic partnerships throughout the year.
- participating in emerging systems-level 'Collaboratives', and seeking to exploit potential benefits.
- investing in existing partnerships through positive contractual relations, skill-sharing, and engaging in leadership initiatives.
- showcasing Touchstone's expertise in co-production and sharing it with partner organisations.

The organisation aims to maintain a just, safe and reflective culture and to, continuously, improve the stakeholder experience by:

- providing high quality and respectful services measured by achieving the target of a 95% satisfaction rate in the annual service user survey.
- reporting and reviewing 100% of the complaints received throughout the year in conjunction with a service user audit panel, undertaking reviews of lessons learned where required.
- completing 100% of safeguarding self-audits, and actioning all recommendations on a timely basis.
- developing and implementing a robust Information Governance / Security Strategy.

Touchstone aspires to embed co-production, involving service users and carers in all aspects of service delivery and design by:

- providing high quality and respectful services measured by achieving the target of a 95% satisfaction rate in the annual service user survey.
- Regular Service User meetings to provide for the inclusion of service users in decision making.

Engagement with Employees (including disabled persons)

Touchstone aims to be an employer of choice, recognising and continuously developing its people as valued and essential leaders in the delivery of quality services by:

- applying the best leadership and people management practices.
- achieving high scores in Inclusive Companies and Stonewall accreditations.
- being recognised, nationally, as a leading Investor in People Platinum Employer.
- nurturing a happy and healthy workforce evidenced by sickness absenteeism < 4% and achieving high wellbeing scores in the annual Best Company staff survey.
- developing and implementing an organisation-wide volunteering strategy to enable people to acquire the skills / experience necessary to conduct roles competently.
- celebrating diversity through ongoing engagement, improved representation, investment in development opportunities and benchmarking against national best practice standards.
- continuing to invest in the organisation's Green programme and Climate Emergency Policy.

The organisation regularly reviews its recruitment and Access to Work policies to ensure they provide for applications from persons with disabilities.

Principal Funding Sources

The accommodation services are funded through rent charges to individual tenants, the majority of which, in practice, are received as directly paid Housing Benefit, and through support funding paid under a contract with Leeds City Council as part of a consortium with Turning Lives Around and Foundation. Touchstone also provides volunteer elements of the contract on behalf of other consortium partners.

Other services are mainly funded through statutory sources. Leeds City Council (Adult Social Care) provide block contract funding for Live Well Leeds, Sikh Elders Service, Better Together, and part of the income for the Community Support Team (CST).

NHS Leeds Clinical Commissioning Group [CCG] funds Leeds Mental Wellbeing Service and makes significant contributions to the Community Support Team [CST] and Here For You local service.

NHS Kirklees CCG funds the local Here For You service.

Leeds Yorkshire Partnership NHS Foundation Trust continue to fund elements of the wider CST portfolio including Rehab and Recovery, CRISS, Complex Rehab and CREST services.

NHS England fund the Liaison and Diversion Services, via contracts with Wakefield Council in West Yorkshire and South and West Yorkshire Partnerships Foundation NHS Trust (SWYFT) in South Yorkshire.

Reserves Policy

The Board has agreed as policy that the free reserves of the organisation, defined as the net current assets that are neither restricted nor designated for specific purposes, should be sufficient to provide a reasonable working balance to meet commitments as they become due whilst recognising the possible delays in receipt of grants and other income due. The Board has assessed that, under current circumstances, the free reserves should be the equivalent of 3 months' total anticipated expenditure.

Touchstone's restricted funds were £192,464 [2024: £196,541] – note 16 provides further details.

Based on the 2024/5 organisation budget and expenditure, free reserves should be £2,594k. As at 31 March 2025, free reserves (excluding unrestricted fixed assets) stood at £1,741k. The charity increases reserves by ensuring contracts deliver a minimum of 2.5% contribution towards them. At 31 March 2025, the reserves are £0.853k below the target level. 2 consecutive years of obtaining a deficit and such high increases in salary costs has impacted the growth of reserves.

Delivery of the Strategic Business Plan and preparation of the 2025/6 budget will aim to safeguard reserves in the short term and aim to reduce the gap over the medium term. Implementing a 2% sustainability charge to services to help contribute to the growth of reserves, and reducing our central costs with reduced central roles will also continue to help support this.

The Board's reserves policy also requires the Trustees to reassess any designated funds annually when reviewing its reserves so that no funds are needlessly designated and excluded from the calculation of reserves. Touchstone's designated funds, which are set aside to meet agreed essential future spending, remain at £64,777 and are primarily earmarked for maintenance and service user projects – note 18 provides further details.

Trustees are currently reviewing the reserves policy of the charity to ensure that it is fit for purpose and ensures that the charity is able to utilise its funds to achieve its objectives.

The trustees have assessed the major risks to which the charity is exposed and are satisfied systems are in place to mitigate exposure to them.

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 30 November 1987, and a registered charity. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Appointment of Trustees

Trustees serve on the Board in the capacity of both Company Director and Charity Trustee. They receive no remuneration and any expenses reclaimed are set out in Note 7 to the accounts. Appointments to the Board are made at the Annual General Meeting in accordance with the detailed regulations set out in the Articles of Association. Between Annual General Meetings, the Board itself has the power to make further appointments to the Board.

One third of the Trustees retire every three years at the Annual General Meeting and are eligible for re-election.

The trustees encourage service user involvement with the Board and service users are invited to all meetings and have a standing agenda item for feedback. Former service users are also able to become trustees.

The charity complies with the charity governance code recommendation in relation to the Trustee maximum term of office (3x3 years) however one trustee's term was extended beyond this maximum due to their particular area of expertise within Adult Social Care and Safeguarding.

Trustee Induction and Training

Potential trustees would generally meet with the Chair of Trustees and the Chief Executive and are invited to attend at least one Board meeting as an observer, before joining the Board. There is a new Open Recruitment policy for Trustees as well as an induction pack of organisational information for new trustees.

There is at least one Board Away day each year to reflect on strategy, performance, and future priorities with senior managers, as well as a Trustee only half day which considers governance matters.

At this meeting, Trustees have for the past four years conducted a facilitated self-assessment of their Governance performance using the key principles of the revised 2017 Charity Governance Code as parameters for the self-assessment process and the NCVO questionnaire framework.

The 2022 Governance Code Review noted overall improvements in governance performance measured against these key principles. The Board has again evaluated the possibility of an external review of this process and has concluded that this would not be cost effective for a charity of this size.

Trustees are encouraged and supported to attend other relevant training both externally and that provided by Touchstone.

Organisational Structure

The Board of trustees, which shall not have less than 6 or more than 20 trustees, is responsible for the strategic direction and governance of the organisation. The Board meets at least five times a year and there are five sub committees covering Finance and Development, Operations and Quality Standards, Risk and Audit, Governance and a Joint Negotiating and Consultative Committee.

The management structure is headed by the Chief Executive, who is appointed by the Board to manage the day-to-day operations of the organisation. The Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and service delivery.

The Chief Executive is responsible to the Board for the operation and development of the organisation, in line with the Strategic Business Plan, and for advising the Board on strategy and policy issues. In this, the Chief Executive is currently assisted by the Senior Leadership Team consisting of the Deputy Chief Executive/Director of People and Culture, Director of Finance and Resources, Director of Business Development, Director of Operations – Inclusion (up until 31st March 2025), Director of Operations - Quality and Performance.

Key Management Remuneration Policy

Pay and remuneration for the charity's key management personnel are set by the trustees with reference to the standard local government pay scales. While annual cost of living increases are determined by national negotiation between local government employers and trade unions, the scale range of each role are periodically reviewed by trustees with reference to external comparators (benchmarks) including published salary surveys from reputable professional and industry bodies, and samples of advertised scales for similar roles being recruited in comparable organisations.

Risk Management

The Board of Trustees conducts regular and frequent reviews of the major risks to which the organisation is exposed through the Risk and Audit Committee, the Finance and Development Committee and the Operations Committee. This includes assessing the potential impact and likelihood, identifying the current controls in place, and those to be put in place, to mitigate the risk.

A corporate risk register is maintained of risks faced by the organisation under the headings of Governance, External, Business Development, IT, Regulatory & Compliance, Financial, Operational, Communications and PR and People and Culture. It is jointly compiled by trustees, senior managers and staff. Particular attention being paid to risks that the organisation sees as having a high potential impact and a high residual likelihood of occurrence despite existing controls.

Plans and strategies for managing and mitigating risks include seeking to diversify income sources, proactively managing commissioner relationships, robust budgeting to ensure delivery of best value for money, maintaining strong relationships with funders, a clear strategic direction, strong governance and quality assurance processes.

Touchstone holds insurances deemed suitable and sufficient for the scale and nature of operations, including Directors and Officers Indemnity cover.

The trustees, who are also the directors for the purpose of company law, and who served during the year and to the date of signing were:

Trustee	Appointed	Resigned
Sam Cheverton (Chair from 10/06/2024)		
Janet Reynolds		
Philip Gleeson		09/12/2024
Sue Timothy		
Stephen Bailey		
Sally Anderson		
Richard Aimufua		
Shahab Adris		
Thomas Stanley	26/02/2025	
Jeremy Horsell (Chair until 10/06/2024)		10/06/2024
Andrea Beever		10/06/2024
Gary Adams	09/06/2025	
Jonathan Ayling	09/06/2025	
Steven Cochran	09/06/2025	
Gary Gallacher	09/06/2025	
Elizabeth Procter	09/06/2025	
Sam Singh	09/06/2025	

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The trustees' report was approved by the Board of Trustees.

.....

Sam Cheverton, Trustee (Chair)

Date: 08 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE - LEEDS

Opinion

We have audited the financial statements of Touchstone - Leeds for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet and the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE – LEEDS (Continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE – LEEDS (Continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud.

The laws and regulations we considered in this context were Charities Commission Regulations and requirements from funders.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be:

- Timing of recognition of contract and grant income
- Management override of controls to manipulate the charitable company's key performance indicators to meet targets
- Management judgement applied in calculating provisions
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the charitable company needs to comply with for the purpose of operating

Our audit procedures to respond to these risks included:

- Enquiries of management and the Trustees about their own identification and assessment of the risks of irregularities
- Testing of journal entries and other adjustments for appropriateness
- Reviewing judgements made by management in their calculation of accounting estimates for potential management bias
- Reviewing contracts and carrying out detailed substantive testing on the completeness of income,
- Reviewing minutes of meetings of those charged with governance to identify any matters indicating actual or potential fraud
- Obtaining confirmation from the trustees that there was no regulatory correspondence with the Charity Commission.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE – LEEDS (Continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Susan Seaman BA FCA CIOT
(Senior Statutory Auditor)
AAB Audit & Accountancy Limited
Gresham House
5-7 St Paul's Street
Leeds
LS1 2JG

Date :

TOUCHSTONE – LEEDS

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE)
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds		Restricted	Total	Total
		General	Designated	Funds	2025	2024
		£	£	£	£	£
INCOME FROM						
<i>Income from charitable activities:</i>	2					
Accommodation & Housing Support		708,216	-	-	708,216	618,869
Assertive Outreach & Support		1,663,411	-	-	1,663,411	1,409,210
Community Development Work		2,121,687	-	37,204	2,158,891	2,169,553
Daytime Activities & Support		5,616,193	-	-	5,616,193	5,381,970
Employment and Education		120,082	-	584	120,666	205,659
Neighbourhood Services		66,948	-	-	66,948	64,015
		10,296,537	-	37,788	10,334,325	9,849,276
Other trading activities	3	5,952	-	7,516	13,468	32,845
Bank interest		1,145	-	-	1,145	842
TOTAL INCOME		10,303,634	-	45,304	10,348,938	9,882,963
EXPENDITURE ON						
<i>Expenditure on charitable activities:</i>	4					
Accommodation & Housing Support		615,574	-	-	615,574	599,780
Assertive Outreach & Support		1,572,974	-	-	1,572,974	1,476,509
Community Development Work		2,214,439	-	37,204	2,251,643	2,246,213
Daytime Activities & Support		5,737,683	4,286	4,078	5,746,047	5,613,141
Employment and Education		113,947	-	584	114,531	196,796
Neighbourhood Services		67,721	-	-	67,721	65,327
Other trading activities		-	-	7,516	7,516	13,051
		10,322,337	4,286	49,382	10,376,005	10,210,817
NET INCOME / (EXPENDITURE)		(18,703)	(4,286)	(4,078)	(27,067)	(327,854)
(Losses)/Gains from investments	9	(9,093)			(9,093)	38,418
NET INCOMING RESOURCES		(27,796)	(4,286)	(4,078)	(36,160)	(289,436)
Transfers between funds		(4,286)	4,286	-	-	-
NET MOVEMENT IN FUNDS		(32,082)	-	(4,078)	(36,160)	(289,436)
TOTAL FUNDS BROUGHT FORWARD		1,809,212	64,777	196,542	2,070,530	2,359,966
TOTAL FUNDS CARRIED FORWARD		1,777,130	64,777	192,464	2,034,370	2,070,531

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TOUCHSTONE – LEEDS

BALANCE SHEET AS AT 31 MARCH 2025 – COMPANY NUMBER 02200394

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	10	110,665	119,910
CURRENT ASSETS			
Debtors	13	1,298,220	620,773
Investments	12	227,266	236,358
Cash at bank and in hand		<u>2,483,413</u>	<u>4,248,522</u>
		4,008,899	5,105,653
CREDITORS: Due within one year	14	<u>(2,085,193)</u>	<u>(3,155,034)</u>
NET CURRENT ASSETS		<u>1,923,706</u>	<u>1,950,619</u>
NET ASSETS		<u><u>2,034,371</u></u>	<u><u>2,070,530</u></u>
REPRESENTED BY:			
Restricted funds	16	192,464	196,541
Unrestricted funds			
General funds	17	1,777,130	1,809,212
Designated funds	18	<u>64,777</u>	<u>64,777</u>
		1,841,907	1,873,990
TOTAL FUNDS		<u><u>2,034,371</u></u>	<u><u>2,070,530</u></u>

The notes on pages 26-41 comprise part of these financial statements.

The financial statements were approved and authorised for issue by the Trustees on 15 December 2025.

.....
Sam Cheverton
Trustee (Chair)

.....
Stephen Bailey
Trustee

TOUCHSTONE – LEEDS

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

CASHFLOW	Notes	2025		2024	
		£	£	£	£
Cash flows from operating activities:					
Cash generated from operations	20		(1,765,109)		699,372
Investing activities					
Proceeds on disposal of investments		<u>-</u>		<u>115,773</u>	
Net cash (used in) / generated from investing activities			-		115,773
Net (decrease) / increase in cash and cash equivalents			<u>(1,765,109)</u>		<u>815,144</u>
Cash and cash equivalents at the beginning of the year			4,248,522		3,433,420
Cash and cash equivalents at the end of the year			<u><u>2,483,413</u></u>		<u><u>4,248,564</u></u>
Relating to:					
Cash at bank and in hand			<u>2,483,413</u>		<u>4,248,522</u>

1. Accounting policies

Charity information

Touchstone - Leeds is a company limited by guarantee incorporated in England and Wales. The registered office is Touchstone House, 2-4 Middleton Crescent, Leeds, LS11 6JU. The charity's principal activities are described in detail on page 5 along with the nature of the charity's operations. The company has adopted the following principal accounting policies which should be read in conjunction with the financial statements.

Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going Concern

Mindful of the increasingly challenging economic climate and sector landscape that impacts Touchstone in the form of public sector efficiency cuts and reforms in how services are provided, when reviewing the organisation's existing Strategic Business Plan 2021-2026, the Trustee's recognise significant strategic and operational work is required as part of the 2025/6 budget process to diversify Touchstone's existing income portfolio and review and resize, if deemed necessary – its current operating cost base. In addition to promoting positive relations with current partners in local authorities and the NHS to extend and renegotiate existing contracts and services and tender for new ones, and progressing grant applications as they arise, Touchstone is committed to identifying and delivering new mental health and wellbeing services in, thus far, untapped local markets and with a view to maintaining sustainability going forward. .

Healthy reserves and cash balances combined with stringent financial management should enable the charity to meet its obligations as a going concern while transitioning mental health and wellbeing services it provides to the diverse communities in West Yorkshire.

On this basis, the trustees continue to adopt the going concern basis of accounting in preparation of the annual financial statements.

Charitable funds

Funds held by the charity are either:

Unrestricted general funds

These are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds

These are funds set aside by the trustees out of unrestricted general funds for specific future purposes of projects.

Restricted funds

These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose.

1. Accounting policies (Continued)

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Incoming resources

Rental income is credited in respect of the period to which it relates.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Contract income and any other funding received in respect of the cost of providing services is credited to the income and expenditure account in the period to which it relates, unless it relates to a previously audited year, when it is credited as received.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Legacy income is recognised when receipt is probable and entitlement is established.

Income is recognised by the charity only when it is entitled to, it is measurable, and it is probable they will receive such income.

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed or proportionally charged to the functional categories of resources expended in the Statement Of Financial Activities [SOFA].

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. The costs include those related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Costs related to the management and administration of the organisation, which include senior management, finance and administrative support, and the overheads of premises shared by different service areas, are allocated to the functional areas by application of the following three factors:

- an assessment is made of the time devoted by central staff to the governance of the charity itself as distinct from support of its service areas. Currently it is assessed that 5% of the Directors and Senior Managers' time, and therefore other service costs, are allocated to this;
- costs related to shared premises are allocated in proportion to the floor area occupied by the different functional areas;
- costs related to 'primary' management, financial and administrative support are allocated in proportion to the staff costs of the different functional areas of the organisation.

Tangible fixed assets

All purchases of and improvements to land and buildings costing more in total than £1,000 are capitalised and depreciated. Additions to office equipment and fixtures and fittings costing more than

£1,000 are capitalised and depreciated. Refurbishment and tenancy furniture costing less than £1,000 is written off as incurred.

TOUCHSTONE – LEEDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies (Continued)

Freehold property is depreciated on a straight-line basis over 50 years. Freehold renovation is depreciated on a straight-line basis over 25 years.

Other fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Office equipment	33%
Fixtures and fittings	15%

Current asset investments

Touchstone intends its investment decisions to achieve the best financial return available consistent with the ethical principles reflecting the charity's aims. Touchstone recognises that all financial investments carry a level of risk and that the likely rewards of each investment rise in relation to the perceived level of risk. Touchstone intends to take a prudent approach, mitigating the specific risks of individual investments by ensuring diversification of investments, between classes of investment and individual investments, and by avoiding high risk investments entirely. No investment will be made in non-traded equities, hedge funds, commodities or derivatives.

Investments held as current asset investments are stated at fair value at the balance sheet date. Any difference between cost and market value is adjusted annually through the Statement of Financial Activities.

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets have suffered and impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1. Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Retirement benefits

The company operates a defined contribution pension scheme, the pension charge represents the amounts payable by the company to the fund in respect of the year.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of these judgements are set out in the accounting policies.

Critical accounting estimates and assumptions

Deferred income is a critical estimate in the preparation of the financial statements. More information is included in the incoming resources accounting policy above.

TOUCHSTONE – LEEDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

2. Income from Donations & Legacies and Income from Charitable Activities

Charitable Activities

	Contract Income £	Grant Income £	Housing Income £	Other Income £	Total 2025 £	Total 2024 £
Accommodation & Housing Support	171,857	4,000	532,359	-	708,216	618,869
Assertive Outreach & Support	1,663,014	-	-	397	1,663,411	1,409,210
Community Development Work	2,088,662	69,359	-	870	2,158,891	2,169,553
Daytime Activities & Support	5,540,512	6,630	-	69,051	5,616,193	5,381,970
Employment and Education	99,105	-	-	21,561	120,666	205,659
Neighbourhood Services	65,448	1,500	-	-	66,948	64,015
	<u>9,628,598</u>	<u>81,489</u>	<u>532,359</u>	<u>91,879</u>	<u>10,334,325</u>	<u>9,849,276</u>

3. Other Trading Activities

	Unrestricted Funds General £	Restricted Funds £	Total 2025 £	Total 2024 £
Other Activities	7,097	7,516	<u>14,613</u>	<u>33,686</u>

Income from other activities in 2024 was derived from unrestricted funds.

TOUCHSTONE – LEEDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

4. Expenditure from charitable activities

	Accomm & Housing Support £	Assertive Outreach & Support £	Community Development Work £	Daytime Activities & Support £	Employment & Education £	Neighbourhood Services £	Other trading activities £	Total 2025 £	Total 2024 £
Activity & Welfare Costs	4,919	13,077	57,486	30,555	1,301	3,613	3,108	114,059	169,198
Audit, Consultancy & Professional Fees	-	-	-	4,145	-	-	-	4,145	5,940
Central	6,467	44,593	98,012	93,387	691	1,725	119	244,994	267,103
Grants - Partners & Networks	-	700	68,860	1,337,518	-	-	-	1,407,078	1,353,985
Depreciation (Restricted)	-	-	-	4,078	-	-	-	4,078	4,078
Furniture, Repair & Renewal	18,259	-	2,841	5,487	-	-	-	26,587	44,129
Other Direct Service Costs	480	-	-	772	-	-	-	1,252	19,895
Other Office & Mgmt Costs	-	4	643	2,341	253	-	-	3,241	7,899
Premises Rent & Utilities	222,989	-	121,891	80,078	-	-	-	424,958	388,951
Printing, Stationary & IT	15,491	28,729	22,943	42,959	16	316	2,103	112,557	142,892
Property Maintenance	11,848	-	1,102	5,207	-	-	-	18,157	23,214
Provider Rent, HA Charges & Council Tax	-	-	706	-	-	-	-	706	2,828
Staff Travel, Recruitment & Training	2,846	25,955	18,827	26,242	677	1,160	-	75,707	90,167
Staffing Costs	249,053	1,251,973	1,559,312	3,345,908	96,347	51,480	2,187	6,556,260	6,294,543
Telephone & Postage	4,059	5,661	14,246	29,514	593	717	-	54,790	73,137
	536,412	1,370,692	1,966,869	5,008,190	99,878	59,011	7,517	9,048,569	8,887,959
Primary Support Costs	37,340	95,415	134,326	347,903	6,912	4,108	-	626,004	943,178
Supplementary & Governance Costs	41,839	106,912	150,511	389,821	7,745	4,603	-	701,431	379,680
	615,591	1,573,019	2,251,706	5,745,914	114,535	67,723	7,517	10,376,004	10,210,817

5. Support costs

	Charitable £	Governance £	Total 2025 £	Total 2024 £
Specific 'Central' Salaries	880,375	21,802	902,177	673,467
Personnel Costs	75,306	-	75,306	120,643
Administrative Costs	181,649	56,034	237,683	273,456
Touchstone House Costs	46,542	65,729	112,271	255,292
Total	<u>1,183,872</u>	<u>143,565</u>	<u>1,327,437</u>	<u>1,322,858</u>

6. Net movement in funds

	Total 2025 £	Total 2024 £
Net movement in funds is stated after charging /		
Auditors Remuneration	28,875	28,740
Depreciation of owned tangible fixed assets	9,245	10,769
	<u>38,120</u>	<u>39,509</u>

7. Trustees

None of the trustees (or persons connected to them) received any remuneration or benefits from the charity during the year [2023/4 – none].

There were zero expenses incurred on behalf of the charitable company and reimbursed to trustees during the year relating to travel, accommodation, and subsistence [2023/4: none].

8. Employees

	Total 2025	Total 2024
	£	£
Wages & Salaries	6,711,697	6,387,705
Agency & Relief Staff	22,539	48,797
	<u>6,734,236</u>	<u>6,436,502</u>
Social Security Costs	634,152	589,119
Other Pension Costs	152,946	145,961
	<u>7,521,334</u>	<u>7,171,582</u>

Remuneration of key management personnel is as follows:

	Total 2025	Total 2024
	£	£
Aggregate compensation inc employers NI and pension contributions	436,043	359,381

Key management personnel comprises of the senior management team.

The number of employees whose annual remuneration was £60,000 or more were:

	Total 2025	Total 2024
	Number	Number
£80,000 - £89,000	1	-
£70,000 - £79,000	-	1
£60,000 - £69,000	4	-

9. Net gains/(losses) on investments

	Total 2025	Total 2024
	£	£
Revaluation of investments	<u>(9,093)</u>	<u>38,418</u>

10. Tangible fixed assets

	Freehold property (inc renovation costs)	Total
	£	£
COST		
At 1 April 2024	193,030	193,030
Additions	-	-
Disposals	(2,222)	(2,222)
At 31 March 2025	<u>190,808</u>	<u>190,808</u>
DEPRECIATION		
At 1 April 2024	73,120	73,120
Depreciation charged in year	9,245	9,245
Eliminated in respect of disposals	(2,222)	(2,222)
At 31 March 2025	<u>80,143</u>	<u>80,143</u>
NET BOOK VALUE		
At 31 March 2025	<u>110,665</u>	<u>110,665</u>
At 31 March 2024	<u>119,910</u>	<u>119,910</u>

11. Tangible fixed assets (freehold property)

Freehold property comprises	Land and buildings £	Renovation costs £	Fixtures and fittings £	Total £
COST				
At 1 April 2024	152,623	4,631	35,776	193,030
Additions	-	-	-	-
Disposals	-	(6)	(2,216)	(2,222)
At 31 March 2025	<u>152,623</u>	<u>4,625</u>	<u>33,560</u>	<u>190,808</u>
DEPRECIATION				
At 1 April 2024	38,842	2,336	31,942	73,120
Charge for year	5,688	140	3,417	9,245
Eliminated in respect of disposals	-	(6)	(2,216)	(2,222)
At 31 March 2025	<u>44,530</u>	<u>2,470</u>	<u>33,143</u>	<u>80,143</u>
NET BOOK VALUE				
At 31 March 2025	<u>108,093</u>	<u>2,155</u>	<u>417</u>	<u>110,665</u>
At 31 March 2024	<u>113,781</u>	<u>2,295</u>	<u>3,834</u>	<u>119,910</u>

TOUCHSTONE – LEEDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

12. Current asset investments

	Total 2025 £	Total 2024 £
Investments	227,266	236,358

The movement on the investments balance in year is made up of the following:

	Equity £	Total £
As at 1 April 2024	236,359	236,359
Gain/(Loss)	(9,093)	(9,093)
As at 31 March 2025	227,266	227,266

13. Debtors: amounts falling due within one year

	Total 2025 £	Total 2024 £
Trade Debtors	1,144,127	499,378
Other Debtors	41,729	28,983
Prepayments and accrued income	112,364	92,412
	<u>1,298,220</u>	<u>620,773</u>

14. Creditors: amounts falling due within one year

	Total 2025 £	Total 2024 £
Trade Creditors	(59,641)	(137,646)
Other Taxation and Social Security	(207,911)	(218,732)
Other Creditors	(15,339)	(33,080)
Accruals and Deferred Income	(1,802,302)	(2,765,576)
	<u>(2,085,193)</u>	<u>(3,155,034)</u>

TOUCHSTONE – LEEDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

15. Deferred income

	Total 2025 £	Total 2024 £
Brought forward	2,557,760	2,932,558
Recognised within the year	(1,167,355)	(903,447)
New deferrals in the year	287,452	528,649
Balance carried forward	<u>1,677,857</u>	<u>2,557,760</u>

Deferred income relates to income received in advance that the charity does not have entitlement until the service has been provided.

16. Restricted funds

The income funds of the charity included restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes.

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2025 £
Freehold Property	78,473	-	(4,078)	-	74,395
The Big Lottery Fund Grant; WY-FI	30,306	-	-	-	30,306
The Big Lottery Fund Grant; PCP	13,252	-	-	-	13,252
CDW: MAP+ Project	53,232	-	-	-	53,232
ABCD Community Builder	-	27,843	(27,843)	-	0
TB Awareness	4,564	9,361	(9,361)	-	4,564
3rd Sector Visibility	1,700	-	-	-	1,700
BAME Dementia Support	9,950	-	-	-	9,950
Winter Warmer Grant (BT)	2,595	-	-	-	2,595
TOPS	1,298	-	-	-	1,298
SU Digital Library	1,171	-	-	-	1,171
First Steps to Walking	-	-	-	-	-
ND Filming Project	-	584	(584)	-	0
Small Grants	-	7,516	(7,516)	-	0
	<u>196,541</u>	<u>45,304</u>	<u>(49,382)</u>	<u>-</u>	<u>192,463</u>

16. Restricted funds (Continued)

	Movement in funds				
	Balance at 1 April	Incoming resources	Resources	Transfers	Balance at 31 March
	2023		expended		2024
£	£	£	£	£	
Freehold Property	82,551	-	(4,078)	-	78,473
The Big Lottery Fund Grant; WY-FI	30,306	-	-	-	30,306
The Big Lottery Fund Grant; PCP	13,252	-	-	-	13,252
ESIF: Connecting Opportunities	-	-	(142)	142	-
ESIF: Stronger Families	-	-	-	-	-
CDW: MAP+ Project	53,232	-	-	-	53,232
ABCD Training & Facilitation	-	-	-	-	-
ABCD Community Builder	-	20,629	(20,629)	-	-
TB Awareness	4,564	4,614	(4,614)	-	4,564
3rd Sector Visibility	1,700	-	-	-	1,700
BAME Dementia Support	-	9,950	-	-	9,950
Winter Warmer Grant (BT)	2,595	-	(251)	251	2,595
Bradford Perinatal Support	-	-	13	(13)	-
TOPS	1,298	35,536	(35,536)	-	1,298
SU Digital Library	1,171	-	-	-	1,171
First Steps to Walking	1	8,113	(8,127)	13	-
ND Filming Project	-	17,281	(17,281)	-	-
Small Grants	-	13,051	(13,051)	-	-
	190,670	109,174	(103,697)	393	196,541

Freehold property is the grant funded part of Touchstone House which houses several services and main offices.

The Big Lottery Fund Grants (WY-FI and PCP) funds represent the income and associated expenditure on two projects funded by Big Lottery.

The CDW Map+ Project fund represents funding received from Leeds City Council for targeted work with new migrant communities in Leeds.

ABCD Community Builder represents funds received from Leeds City Council to employ a community builder to lead an ABCD approach to communities within the Lincoln Green area of the city.

TB Awareness represents funds received from Leeds City Council to employ an Outreach worker to build new and strengthen relationships with LCH TB services, and raise awareness of TB using existing resources, communications and training.

Additional funding and grants received to complement the work of the BAME Dementia Support Project.

Winter Warmer grant monies to help support vulnerable individuals across Winter 22/23 and deliver TB awareness work. Alongside was a small grant for capacity building and visibility within 3rd Sector.

TOPS extension of funding.

SU Digital Library – Provision of digital engagement through tablets and data to ensure that we continue to provide services to those vulnerable, isolated and unwell members of the most deprived communities of West Yorkshire

1st Steps to Walking represents funding from Leeds City Council to provide a 12 month walking programme to include a buddying/befriending element within Burmantofts Harehills and Richmond Hill

ND Filming Project – to provide support as part of the Workforce Transformation programme of work.

TOUCHSTONE – LEEDS
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 MARCH 2025

17. Unrestricted funds – General

	Balance at 1 April 2024 £	Incoming resources £	Movement in funds Resources expended £	Transfers £	Balance at 31 March 2025 £
Unrestricted funds	1,809,212	10,294,541	(10,320,313)	(6,310)	1,777,130
	<u>1,809,212</u>	<u>10,294,541</u>	<u>(10,320,313)</u>	<u>(6,310)</u>	<u>1,777,130</u>

	Balance at 1 April 2023 £	Incoming resources £	Movement in funds Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds	2,104,519	9,812,206	(10,100,810)	(6,703)	1,809,212
	<u>2,104,519</u>	<u>9,812,206</u>	<u>(10,100,810)</u>	<u>(6,703)</u>	<u>1,809,212</u>

18. Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Movement in funds				Balance at 31 March 2025 £
	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	
Touchstone House cyclical maintenance	5,000	-	(2,659)	2,659	5,000
Support Centre cyclical maintenance	15,000	-	(1,626)	1,626	15,000
dilapidations	25,000	-	-	-	25,000
Service User Evaluation	19,777	-	-	-	19,777
	64,777	-	(4,286)	4,286	64,777

	Movement in funds				Balance at 31 March 2024 £
	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	
Touchstone House cyclical maintenance	5,000	-	(3,951)	3,951	5,000
Support Centre cyclical maintenance	15,000	-	(2,359)	2,359	15,000
dilapidations	25,000	-	-	-	25,000
Service User Evaluation	19,777	-	-	-	19,777
	64,777	-	(6,310)	6,310	64,777

18. Designated funds (Continued)

Touchstone House – cyclical maintenance is required to maintain the property; the trustees consider it prudent to designate sufficient funds to allow for future redecoration and routine maintenance above day to day repairs.

Support Centre – cyclical maintenance this fund is to allow for future decoration and routine maintenance, above strictly day to day repairs, to ensure the property is kept to a high standard.

Support Centre – dilapidations, this fund has been designated to meet the cost of internal and external decorating and any other repairs required at the end of the lease.

Service User Evaluation - The service user evaluation fund is for research that was commissioned by Touchstone and has been transferred from Restricted Funds during the year, the programme has been delayed and currently under review.

19. Analysis of net assets between funds

	Unrestricted Funds		Restricted Funds	Total
	General	Designated	Funds	
	£	£	£	£
Fund balances at 31 March 2025 are represented by:				
Tangible Assets	36,272	-	74,393	110,665
Net Current Assets	1,740,859	64,777	118,070	1,923,706
	1,777,131	64,777	192,463	2,034,371

	Unrestricted Funds		Restricted Funds	Total
	General	Designated	Funds	
	£	£	£	£
Fund balances at 31 March 2024 are represented by:				
Tangible Assets	41,439	-	78,471	119,910
Net Current Assets	1,767,773	64,777	118,070	1,950,620
	1,809,212	64,777	196,541	2,070,530

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

20. Cash generated from operations

	Total 2025	Total 2024
	£	£
(Deficit) for the year	(36,160)	(289,436)
Adjustments for:		
Fair value (gains) and losses on investments	9,093	(38,418)
Depreciation and impairment of tangible fixed assets	9,245	10,769
Movements in working capital:		
Decrease/(increase) in debtors	(677,446)	1,390,327
(Decrease)/increase in creditors	(1,069,841)	(373,871)
Cash generated by operations	<u>(1,765,109)</u>	<u>699,371</u>

21. Operating Lease Note

The charity has future minimum lease payments under non-cancellable operating leases as follows:

	Total 2025	Total 2024
Expiring within 1 Year	612	1,981
Expiring within 2-5 Years inclusive	2,780	4,524
Over 5 Years	-	-
	<u>3,392</u>	<u>6,505</u>

22. Related party transactions

There were no related party transactions during 2024/5 [2023/4: none].

23. Members liability

The company is limited by guarantee. Every member of the company is liable to contribute to the assets of the company in the event of the company being wound up either whilst they are a member or within one year of them ceasing to be a member, for payment of the debts and liabilities of the Association contracted before they ceased to be a member, and of the cost, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount not to exceed £1.

At 31 March 2025, the number of members so liable was 8 [31 March 2024:5].